

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:)
Calpine Corporation, et al.,) Chapter 11
Debtors.) Case No. 05-60200 (BRL)
) Jointly Administered
))

**ORDER APPROVING A STIPULATION AND CONSENT AGREEMENT WITH THE
FEDERAL ENERGY REGULATORY COMMISSION'S OFFICE OF ENFORCEMENT**

Upon the motion (the “Motion”)¹ of the above-captioned debtors (collectively, the “Debtors”) pursuant to 11 U.S.C § 105(a) and Rule 9019 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), for the entry of an order approving a stipulation and consent agreement between Debtor Calpine Energy Services, L.P. (“CES”) and the Federal Energy Regulatory Commission’s Office of Enforcement (the “Office of Enforcement”); it appearing that the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; it appearing that this proceeding is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); it appearing that venue of this proceeding and this Motion in this District is proper pursuant to 28 U.S.C. §§ 1408 and 1409; it appearing that notice of this Motion and the opportunity for a hearing on this Motion was appropriate under the particular circumstances and that no other or further notice need be given; and after due deliberation and sufficient cause appearing therefor, it is hereby ORDERED:

1. The Motion is granted in its entirety.

¹ Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Motion.

2. The Commission is allowed a general unsecured claim in the amount of \$4,500,000 against CES on account of all claims asserted in claim number 6170 against CES relating to the Investigation (the “Allowed Claim”), as described on page 4 of the Commission’s Proofs of Claim, entitled “Natural Gas Proceeding.” All damages asserted by the Commission in claim numbers 6169 through 6179 (inclusive) for the violations at issue in the Investigation are deemed satisfied in full by such Allowed Claim. All other issues raised in Claim Numbers 6169, 6170, 6172, 6173, 6175, and 6176 filed against Calpine Corporation, Calpine Energy Services, L.P., Calpine Power Services, Inc., Calpine Oneta Power, LP, Goldendale Energy Center, LLC, and Delta Energy Center, LLC, respectively, are not affected by this Order. Claim Numbers 6171, 6174, 6177, 6178, and 6179 filed against CPN Pleasant Hill, LLC, Columbia Energy LLC, Calpine Hidalgo Energy Center, L.P., Rumford Power Associates, LP, and KIAC Partners, respectively, are expunged in their entirety.

3. The Debtors are authorized to execute, deliver and implement the Settlement Agreement.

4. The Debtors are authorized to take all actions necessary to effectuate the Settlement Agreement.

5. The Settlement Agreement approved by this Order does not limit or bar creditor claims, if any, against any Debtor.

6. Notwithstanding the application of Bankruptcy Rule 6004(g), the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

7. The requirement set forth in Rule 9013-1(b) of the Local Bankruptcy Rules for the Southern District of New York that any motion or other request for relief be accompanied by

a memorandum of law is hereby deemed satisfied by the contents of the Motion or otherwise waived.

8. The Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

Dated: New York, New York
May 9, 2007

/s/Burton R. Lifland
UNITED STATES BANKRUPTCY JUDGE